

Exhibit K

REGULATORY AGREEMENT

This Regulatory Agreement (this "Agreement") is made this 15th day of September, 2003 by Hingham Campus, LLC, a Maryland limited liability company having an address at c/o Erickson Retirement Communities, 701 Maiden Choice Lane, Baltimore, Maryland 21228 ("Developer"), Fleet National Bank (the "member bank"), a member institution of the Federal Home Loan Bank of Boston (FHLBB), with an address at 100 Federal Street, Boston, Massachusetts 02110, Citizens' Housing and Planning Association, with an address at 18 Tremont Street, Boston, Massachusetts 02108 ("Monitoring Agent") and the Municipality of Hingham ("Municipality"), with an address at 210 Central Street, Hingham, Massachusetts 02043.

BACKGROUND:

A. WHEREAS the Developer intends to construct a continuing care retirement community to be known as Linden Ponds at Hingham pursuant to MGL Chapter 93, Section 76 (the "CCRC Statute") consisting of approximately 1,750 apartments (the "Units") in a series of residential buildings and, ancillary thereto, approximately 516 health care beds in a dedicated extended care center known as "Renaissance Gardens", all on an approximately 100 acre site (the "Land") on Whiting Street in Hingham, Massachusetts, more particularly described in Exhibit A attached hereto and made a part hereof (the "Project");

B. WHEREAS the Developer has received a comprehensive permit (the "Comprehensive Permit") for the Project from the Zoning Board of Appeals for the Municipality under Chapter 40B of the Massachusetts General Laws, with permit is recorded at the Registry of Deeds in Book 24032, Page 41;

C. WHEREAS the Comprehensive Permit has specified that 27.7% of the Units in the Project will be affordable Units (the "Affordable Units") for occupancy by households ("Qualifying Households") earning no more than eighty percent (80%) of the median income, by household size, for the Primary Metropolitan Statistical Area (eighty percent (80%) of such median income, the "Base Income") as published from time to time by the Department of Housing and Community Development or successor agency ("DHCD"), and the Project will continue to include Affordable Units in perpetuity. A Unit will be considered an Affordable Unit if it is occupied or unoccupied and affordable by a Qualifying Household;

D. WHEREAS the Units are offered to residents under a residence and care agreement that, in accordance with the CCRC Statute, provides for an initial refundable entrance fee ("Entrance Fee") and monthly payments ("Monthly Payment") comprised of

a rental component and fees for utilities, food and supportive services described on the schedule attached hereto as Exhibit B ("Required Services");

E. WHEREAS the Project is being financed by a construction loan from the member bank with proceeds from an advance under the FHLBB's New England Fund ("NEF") and the NEF requires the Developer to provide the number of Affordable Units described above;

F. WHEREAS the Monitoring Agent has agreed to monitor compliance of the Project with the Affordability Requirement set forth in Section 2 below and compliance of the Developer with the Limited Dividend Requirement, set forth in Section 3 below.

NOW THEREFORE, in consideration of the agreements and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Municipality, the Developer, the member bank and the Monitoring Agent hereby agree and covenant as follows:

1. Unit Distribution. The distribution of the Affordable Units by unit size shall result in approximately 27.7% of all of the Units which will be studio, one-bedroom and small two-bedroom Affordable Units. In the event Qualified Households choose one unit size over another as a matter of personal choice, the resulting distribution of Affordable Units will be acceptable under this Agreement. Because the Project will be constructed over time in a series of buildings, the percentage and distribution of Affordable Units may not be in compliance at any given time during the construction period. In such event, the Developer shall not be considered to be in default of this Agreement so long as the Developer has (a) provided the Monitoring Agent with a plan reasonably acceptable to the Monitoring Agent which outlines how the percentage and distribution of Affordable Units will be achieved as the Project is built out, (b) provided the Monitoring Agent with data reasonably satisfactory to the Monitoring Agent that the demand for Affordable Units is greater for a particular unit size or sizes than for others and (c) made available Affordable Units for which the fund described in Section 13 hereof is to be applied against payment of the Entrance Fee in accordance with a plan established in accordance with said Section 13.

2. Affordability. The Monthly Rent and Services Fee (as defined below) for the Affordable Units shall not exceed 60% of the gross income of a household at Base Income (75% in the event that a unit is to be occupied by a second or third person in order to account for the additional costs of providing services to that person) ("Monthly Payment Maximum"), in each case calculated as follows:

| | |
|----------------|----------------------|
| 0 Bedroom Unit | 1 person household |
| 1 Bedroom Unit | 1.5 person household |
| 2 Bedroom Unit | 3 person household. |

"Monthly Rent and Services Fee" means the sum of (a) the Monthly Payment and (b) one twelfth (1/12) of five percent (5%) of the Entrance Deposit made by the resident of the particular Affordable Unit.

Throughout the term of this Agreement, in a manner satisfactory to the member bank, the Municipality and the Monitoring Agent, the Developer shall determine the income of each household to occupy an Affordable Unit as a Qualifying Household. The Developer shall determine such income at the time such household first occupies the Affordable Unit and the income determined at that time shall be presumed to be the Qualifying Household's income for the remainder of the Qualifying Household's occupancy of the Affordable Unit. For purposes of determining whether a household's income exceeds Base Income (and therefore is not a Qualifying Household), the household's income shall be calculated as the sum of (i) such household's actual income from income-producing assets and entitlements (such as pension and social security amounts) and (ii) an imputed income of five percent (5%) per year from all non-income producing assets owned by the household (other than the Entrance Fee).

3. Dividend Limitation. Developer agrees that throughout the term of this Agreement distribution of income from operations to the Developer or to the partners, shareholders, or other owners of Developer or of the Project shall not exceed ten percent (10%) of Imputed Equity per year, as determined from audited financial statements provided to the member bank and the Monitoring Agent (the "Allowable Profit"). "Allowable Profit" shall not include any amounts distributed as a result of a sale, financing (including loans from not-for-profit operators) or other capital event relating to the Project or its ownership. "Imputed Equity" in the Project shall be the difference between the amount provided by third party debt financing sources to the Project and the total cost of the Project, including a Developer's Risk Allowance ("DRA") equal to twenty-five percent (25%) of the total project cost net of DRA (if the Project is owned by a Limited Partnership which has utilized the sale of Low Income Housing Tax Credits to raise equity, then the DRA shall be equal to the allowable Developer Fee under the Low Income Housing Tax Credit Program in Massachusetts). Distributions of the Allowable Profit not made in any one year may be deferred and made in subsequent years. From time to time but not more frequently than once every five year period, the Developer may increase the Imputed Equity by an amount equal to the difference between the total cost of the Project and the current appraised value of the Project, as determined by a third party appraiser and approved by the Monitoring Agent, plus an amount equal to the amount of the loan that has been amortized. Proceeds of any refinancing, or insurance or condemnation proceeds, or from the sale of any of Developer's assets shall be excluded from the determination of the Allowable Profit. Upon issuance of a final Certificate of Occupancy for all of the Units in the Project, the Developer shall deliver to the member bank and to the Monitoring Agent an itemized statement prepared on an federal income tax basis of total development costs together with a statement of gross income from the Project received by the Developer to date, prepared and certified by an independent Certified Public Accountant according to generally accepted accounting principles and also certified by the Developer ("Certified Cost and Income Statement"). If all Units in the Project have not been rented as of the

date the Certified Cost and Income Statement is delivered to the Bank, the Developer shall at least once every ninety (90) days thereafter, until such time as at least 95% of the Units are rented, deliver to the member bank and to the Monitoring Agent an updated Certified Cost and Income Statement. After 95% of the Units in the Project have been rented, the Developer shall, on a periodic basis satisfactory to the member bank and to the Monitoring Agent, deliver to the member bank and to the Monitoring Agent an itemized statement of income and expenditures in form satisfactory to the member bank and Monitoring Agent. All profits from the Project in excess of the Allowable Profit shall be used to increase the balance of the Subsidy Loan Fund (as defined in Section 13 below).

4. Affirmative Marketing. The Developer shall not discriminate on the basis of race, creed, color, sex, age, handicap, marital status, national origin or any other basis prohibited by law in the selection of the residents for the Affordable Units (provided, however, that the Project will be "age-restricted" as permitted by law). In its selection of residents for the Affordable Units, the Developer shall consistently employ the same standards for medical eligibility as it employs for the remaining Units of the Project. The Developer shall affirmatively market at its own expense the Affordable Units to minority households through direct outreach efforts to local churches, social service and civic organizations as well as local and area-wide newsprint media where minority households are most likely to be contacted using an affirmative marketing plan satisfactory to the Monitoring Agent and the Municipality. Because the selection of residents for the Affordable Units is apt to be virtually continual given the nature of the Project, the Developer agrees that it will affirmatively market the Affordable Units in accordance with this Agreement during all time periods in which residents for the Affordable Units are being selected. For purposes of providing direction to the Developer as to the method of affirmative marketing, the Municipality may consult with the Department of Housing and Community Development of the Commonwealth of Massachusetts and engage the services of expert consultants in the senior affordable housing field and the Developer shall pay the Municipality's reasonable expenses relating to such engagement. This outreach effort must continue for a period of at least 60 days prior to the selection of residents for the Affordable Units. The Developer agrees to adopt a preference for local resident households to the extent the same is permitted by law. The Developer agrees to maintain for at least five (5) years following the rental of the Affordable Units, a record of all newspaper ads, outreach letters, translations, leaflets and any other outreach efforts, which may be inspected by the member bank or the Municipality.

5. Recording. Upon execution hereof, the Developer shall immediately cause this Agreement to be recorded with the Plymouth County Registry of Deeds. Upon recording and/or filing, as applicable, the Developer shall immediately transmit to the member bank, the Municipality and the Monitoring Agent evidence of such recording and/or filing.

6. Representations, Warranties and Covenants. The Developer hereby represents, covenants and warrants as follows:

- (a) The Developer (i) is a limited liability company duly organized under the laws of the State of Maryland and is qualified to transact business under the laws of the Commonwealth of Massachusetts, (ii) has the power and authority to own properties and assets and to carry on its business as now being conducted, and (iii) has full legal right, power and authority to execute and deliver this Agreement. The Project will be leased to a not-for-profit entity that will operate the Project.
- (b) The execution and performance of this Agreement by the Developer (i) will not violate or, as applicable, has not violated any provision of law, rule or regulation, or any order of any court or other agency or governmental body, and (ii) will not violate or, as applicable, has not violated any provision of any indenture, agreement, mortgage, mortgage note or other instrument to which the Developer is a party or by which it or the Project is bound, and (iii) will not result in the creation or imposition of any prohibited encumbrance of any nature.
- (c) The Developer will, at the time of execution and delivery of this Agreement, have good and marketable title to the Project free and clear of any lien or encumbrance, subject to the encumbrances created pursuant to this Agreement, any loan documents relating to the Project, or other permitted encumbrances.
- (d) The Developer will cause the Required Services to be provided to residents of the Affordable Units in exchange for the Monthly Rent and Services Fee.
- (e) The Monthly Rent and Services Fee shall never exceed the lesser of (1) the monthly rent and services fee applicable to the Units other than the Affordable Units and (2) the Monthly Payment Maximum.
- (f) The Developer shall not refuse and shall prohibit any operator of the Project from refusing to provide medical or personal care services provided to other residents, including, without limitation, the Required Services, to a resident of an Affordable Unit solely because such resident has insufficient funds to pay for such services.
- (g) The Developer shall have, and shall include in its agreements with any operator of the Project, the obligation to operate the Project in compliance with the terms and conditions of the Comprehensive Permit and this Agreement and shall cause any such operator under an agreement having a term of one year or more to execute and deliver to the Zoning Board of Appeals a joinder to this Agreement by which such operator assumes the obligations and liabilities of the Developer arising during the term of such agreement.

- (h) The Project shall continue to include the Affordable Units in perpetuity for so long as the Land is being used for the Project pursuant to the Comprehensive Permit. If and to the extent legal counsel to the Municipality at any time concludes that a covenant, restriction or other instrument should be executed and delivered by the Developer or its successor or assign in order to establish or affirm the provisions of the foregoing sentence or cause the same to be enforceable as a matter of law, the Developer shall promptly provide the same.

7. Governing Law/Amendments/Severability. This Agreement shall be governed by the laws of The Commonwealth of Massachusetts. Any amendments to this Agreement must be in writing and executed by all of the parties hereto. The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining portions hereof.

8. Monitoring Agent. (a) Monitoring Agent shall monitor the compliance of the Project with the Affordability Requirement and the compliance of the Developer with the Limited Dividend Requirement based on and in accordance with the following:

(i) Receipt of reports from the Developer, on a periodic basis satisfactory to the member bank and to the Monitoring Agent, with respect to compliance of the Project with the Affordability Requirements, which reports shall include copies of initial resident income certifications.

(ii) Receipt of annual audited financial reports for the Developer, within 120 days after the end of each fiscal year of the Developer;

(iii) Review of (x) the adequacy and completeness of the annual reports and annual financial statements and (y) the substantive compliance of the Project with the Affordability Requirement and of the Developer with the Limited Dividend Requirement.

(iv) Preparation of a report (the "Compliance Report") on a periodic basis satisfactory to the member bank and to the Monitoring Agent to the member bank and the zoning enforcement officer of the Municipality on the compliance (x) of the Developer with reporting requirements, (y) of the Project with the Affordability Requirement and (z) of the Developer with the Limited Dividend Requirement. The Compliance Report shall indicate the extent of noncompliance with the relevant reporting and/or substantive requirements, describe efforts being made by the Developer to remedy such noncompliance and, if appropriate, recommend possible enforcement action against the Developer.

The Monitoring Agent shall provide reasonable supplemental monitoring on its own initiative in order to ensure to the extent practicable the compliance of the Project and the Developer with the Affordability Requirement and the Limited Dividend Requirement. The services to be provided under this Agreement shall not include any

construction period monitoring. The services herein under shall include follow-up discussions with the Developer after an event of noncompliance.

The Developer shall deliver to the Monitoring Agent the reports described in (i) and (ii) above within the specified times.

(b) Attached hereto as Exhibit C is a copy of the agreement between its Developer and Monitoring Agent with respect to payments to Monitoring Agent. The Developer shall keep this agreement or such other agreement materially acceptable to Monitoring Agent and Developer in full force and effect.

(c) The Monitoring Agent shall not be held liable for any action taken or omitted under this Agreement.

(d) The Developer agrees to indemnify and hold harmless the Monitoring Agent against all damages, costs and liabilities, including reasonable attorney's fees, asserted against the Monitoring Agent by reason of its relationship with the Project under this Agreement.

9. Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when delivered by hand or when mailed by certified or registered mail, postage prepaid, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate by written notice:

Developer:

W. Scott Hayward
Erickson Retirement Communities LLC
102 Brooksby Village Drive
Peabody, MA 01960

General Counsel
Erickson Retirement Communities LLC
703 Maiden Choice Lane
Peabody, MA 01960

Member Bank:

Lyle Lawrence
Vice President
Fleet National Bank
100 Federal Street
MA DE 1 000 7 D
Boston, MA 02110

Monitoring Agent:

**Aaron Gomstein
Executive Director
Citizens' Housing and Planning Association, Inc.
18 Tremont Street
Suite 401
Boston, MA 02108**

Municipality:

**Charles J. Cristello
Town Administrator
Office of Selectmen
Hingham Town Hall
210 Central Street
Hingham, MA 02043-2757**

10. Term. The term of this Agreement shall be perpetual.

11. Successors and Assigns. The Developer intends, declares and covenants on behalf of itself and its successors and assigns (i) that this Agreement and the covenants, agreements and restrictions contained herein shall be and are covenants running with the land, encumbering the Project and are binding upon the Developer's successors in title, (ii) are not merely personal covenants of the Developer, and (iii) shall bind the Developer, its successors and assigns for the term of this Agreement, provided, however, that the provisions hereof shall be binding upon the Developer and any successor in title only with respect to breaches occurring during the period during which it owns land. Developer hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts to be satisfied in order for the provisions of this Agreement to constitute restrictions and covenants running with the land shall be deemed to be satisfied in full and that any requirements of privity of estate are also deemed to be satisfied in full.

12. Default. If any default, violation or breach by the Developer is not cured to the satisfaction of the Municipality, the member bank and/or the Monitoring Agent within thirty (30) days after notice to the Developer thereof, then the Municipality, member bank or the Monitoring Agent may send notification to the Municipality's Zoning Enforcement Officer and any other mortgagee that the Developer is in violation of the terms and conditions hereof. The Municipality may exercise any legal remedy available to it with respect to the default. The Developer shall pay all costs and expenses, including legal fees, incurred by the member bank, the Monitoring Agent or the Municipality in enforcing this Agreement and Developer hereby agrees that the member bank and the Municipality shall have the right to place a lien on the Project to secure payment of any such costs and expenses. The member bank and/or the Municipality may

perfect such lien on the Project by recording a certificate setting forth the amount of the costs and expenses due and owing in the Plymouth County Registry of Deeds. A purchaser of the Project or any portion thereof shall be liable for the payment of any unpaid costs and expenses which were the subject of a perfected lien prior to the purchaser's acquisition of the Project or portion thereof.

13. Entrance Deposit Subsidy. The Developer shall enable otherwise eligible Qualifying Households that are unable to fund the entrance deposits for the Affordable Units ("Asset-deficient Qualifying Households") by the following means:

(a) The Developer shall provide loans ("Entrance Deposit Loans") to Asset-Deficient Qualifying Households up to Five Million Six Hundred Thousand Dollars (\$5,600,000) outstanding at any one time, such amount to be adjusted on the first day of each year by the percentage change in the Monthly Rent and Services Fee for the Affordable Units in the calendar year just ended ("Entrance Deposit Loan Fund"). In the event that the proposed number of Units shall be changed, then the amount of the Entrance Deposit Loan Fund shall be modified proportionately.

(b) Unless approved by the Municipality, no more than Four Hundred Thousand Dollars (\$400,000) of the Entrance Deposit Loan Fund shall be loaned for Affordable Units in any one residential building, provided, however, that in the event less than Four Hundred Thousand Dollars (\$400,000) is loaned for Affordable Units in any one residential building, the difference between Four Hundred Thousand Dollars (\$400,000) and the amount loaned shall be carried forward to the next residential building constructed. The Four Hundred Thousand Dollar (\$400,000) amount for each new building shall be adjusted as of the first day of each calendar year in the same manner as the Entrance Deposit Loan Fund.

(c) The Entrance Deposit Loans will be due and payable at the time at which the entrance deposits would be refundable to the Asset-Deficient Qualifying Households and the Developer may apply the amount of the entrance deposits to be refunded towards payment of the Entrance Deposit Loans. The Entrance Deposit Loans shall bear interest at the Developer's cost of funds, provided, however, that monthly payments of such interest shall be in amounts which, when added to the Monthly Rent and Services Fee, do not exceed the Monthly Payment Maximum.

(d) In consultation with the Monitoring Agent and as part of the affirmative marketing plan reference in Section 4 above, the Developer shall institute a program to administer the making of Entrance Deposit Loans (including the conduct of marketing and the use of lotteries) in a manner intended to render the Project as attractive as a potential living and health care option to Asset-Deficient Qualifying Households as to other Qualifying Households.

(e) Upon substantial full occupancy of the Affordable Units in the first four residential buildings (discounting roll-over vacancies) and upon such occupancy of eight residential buildings, twelve residential buildings and fourteen residential buildings, the

Developer and the Municipality, in consultation with the Monitoring Agent, shall assess the need to (a) carry forward unloaned portions of the Entrance Deposit Loan Fund from building to building and (b) maintain the amount of the Entrance Deposit Loan Fund. In the event the experience of the Project indicates that the amount of the carry forward or of the Entrance Deposit Loan Fund exceeds the amount reasonably required to serve those Asset-Deficient Qualifying Households which are interested in the Project and provided that the Monitoring Agent is reasonably satisfied that the Developer has instituted a program for the making of Entrance Deposit Loans which addresses the purposes described in (d) above, those amounts shall be reduced to levels required to serve such Asset-Deficient Qualifying Households, as determined by the Hingham Zoning Board of Appeals.

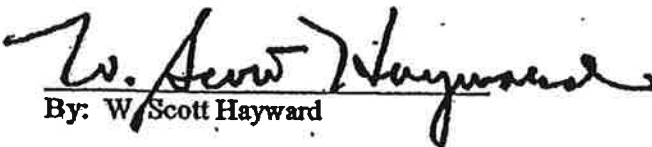
14. Mortgagee's Consent. The Developer represents and warrants that it has obtained the consent of all existing mortgagees of the Project to the execution and recording of this Agreement and to the terms and conditions hereof and that all such mortgagees have executed a consent to this Agreement that shall be executed herewith.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as a sealed instrument as of the date first above written.

DEVELOPER


Hingham Campus, LLC

By: Erickson Retirement Communities LLC, Member


By: W. Scott Hayward

MEMBER BANK:

Fleet National Bank


By: Lyle Lawrence
Senior Vice President

MONITORING AGENT:


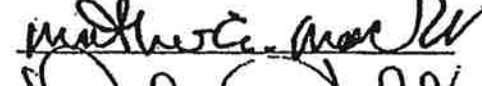
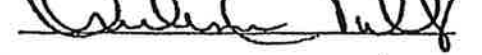
Citizens' Housing and Planning Association, Inc.


By: **Aaron Gornstein**
Executive Director

MUNICIPALITY:

TOWN OF HINGHAM

By Its Board of Selectmen

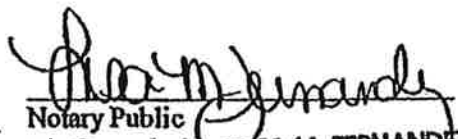




COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

9/23, 2003

Then personally appeared the above-named W. Scott Hayward, a VP of Erickson Retirement Communities, and acknowledged the foregoing instrument to be his free act and deed before me.

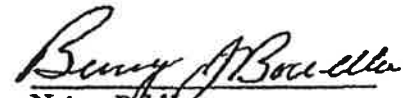

Notary Public
My Commission Expires: Edna M. FERNANDEZ
NOTARY PUBLIC
My commission expires Oct. 1, 2004

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

Sept 23, 2003

Then personally appeared the above-named Lyle Lawrence, Vice President of Fleet National Bank and acknowledged the foregoing instrument to be her free act and deed before me.



Notary Public
My Commission Expires:
BEVERLY J. BOCELLA
Notary Public
My Comm. Expires Nov. 8, 2

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

Sept. 19, 2003

Then personally appeared the above-named Aaron Gornstein, a Executive Director of Citizens' Housing and Planning Association, Inc., and acknowledged the foregoing instrument to be his free act and deed before me.


Notary Public
My Commission Expires:
December 23, 2005

COMMONWEALTH OF MASSACHUSETTS

Plymouth, ss.

September 16, 2003

Then personally appeared the above-named Philip J. Edmundson, Mathew B. MacIver, and Melissa A. Tully, the Board of Selectmen of the Town of Hingham, and acknowledged the foregoing instrument to be their free act and deed before me.

Marilyn A. Harrington
Notary Public
My Commission Expires:
July 26, 2007

EXHIBIT A

Hingham Campus LLC Parcel

Parcel 154-6

The land in Hingham, Plymouth County, Massachusetts containing 7 acres, more or less, bounded and described as follows:

SOUTHERLY AND WESTERLY: by land now or formerly of the heirs of Samuel French;

NORTHERLY: by land now or formerly of Abigail Cobb, and

EASTERLY: by land formerly of the heirs of David B. Lovell.

Said parcel includes therein all of Assessor Parcel 165-1.

Subject to any zoning restrictions, easements and other restrictions of record.

Parcels 165-3, 165-4, and 165-6

Three parcels situated to the north of Whiting Street in Hingham, consisting approximately of 5.44 acres, 5.82 acres and 8.71 acres respectively, and designated on the Hingham Assessor's Plan as Parcels 165.3, 165.4 and 165.6 respectively; also being designated on the records of the Hingham Collector of Taxes as Parcels 165-003, 165-004, and 165-006 respectively. Being a portion of the real estate devised to John H. Rooney by will of John A. Rooney, Suffolk Probate No. 300777.

Parcel 165-11

A certain parcel of woodland situated in Hingham, in the County of Plymouth and Commonwealth of Massachusetts, containing eight (8) acres more or less, bounded Westerly by land of Richard Hulman as the fence now stands, as far as there is a fence thence in a straight line over a ledge of rock, which has been substituted for a fence to the fence standing near the Northwesternly end of said ledge, thence Northerly by land quitclaimed in 1845 by deed, recorded at Norfolk Registry, by line of Janice Humphrey, late of Weymouth deceased, to her daughter Mary Bates, by a straight line as the same is marked by monuments, stake or fence, thence Easterly by land now or late of Josiah E. Rice deceased and by land now or late of Josiah Lane deceased, thence Southerly by land quitclaimed by deed in 1845 recorded as aforesaid, by heirs of Janice Humphrey aforesaid to her daughter Anna Vinins as the same is marked by fence, monuments or stakes.

Parcel 165-12

The land in Hingham, Plymouth County, Massachusetts being located northerly of Whiting Street, containing approximately 6.35 acres and being bounded by lands of owners unknown and shown on Hingham Assessor's records as Lot 165-12.

Meaning and intending to convey all right title and interest in the above described premises, however the same may be more particularly bounded and described, including but not limited to land as shown as Hingham Assessor's Parcels 154-6, 165-1, 165-3, 165-4, 165-6, 165-11 and 165-12

Parcel 154-5

The land situated off the westerly side of Old Ward Street, Hingham, Plymouth County, Massachusetts, being bounded and described as follows:

WESTERLY: by land now or formerly of Arthur B. Maynard and the Weymouth/Hingham town boundary line;
NORTHERLY: by Plymouth River and land of Arthur B. Maynard;
EASTERLY: by land now or formerly of Frank W. and Marie P. Weaver;
SOUTHERLY: by a stone wall and land of owner unknown.

Containing 8.19 acres, more or less.

Said parcel is shown as Parcel 154-5 on the Town of Hingham Assessor's Maps.

Subject to an easement to Hingham Municipal Light Company recorded at the Plymouth Registry of Deeds in Book 2779, Page 495.

Subject to the flow of the Plymouth River.

Meaning and intending to convey all right title and interest in the above described premises, however the same may be more particularly bounded and described, including but not limited to land as shown as Hingham Assessor's Parcel 154-5.

Parcel 166-1

That certain parcel of land with the buildings thereon located on Old Ward Street, in the Town of Hingham, County of Plymouth, Commonwealth of Massachusetts, shown as lot marked N/F James Gordon Assessor's Map 166 Parcel 1 on a plan entitled "Subdivision Plan of Land in Hingham, MA", dated October 25, 1988, recorded with said Deeds in Plan Book 33, Page 223. Said parcel of land being shown on Hingham Assessor's Plan 166 as Lot 1.

Parcels 165-5, 165-13 and 165-2

Three parcels situated to the north of Whiting Street in Hingham, consisting approximately of 5.99 acres, 4.72 acres and 7.15 acres respectively, and designated on Hingham Assessor's Plan 165 and 154 as Parcels 165-5, 165-13 and 165-2, respectively;

Parcel 165-8

A certain parcel of recorded land with all buildings and improvements thereon, situated in Hingham, Plymouth County, Massachusetts shown as "Lot A" (43,560 S.F. or 1.00 AC) on a plan entitled "Subdivision Plan of Land in Hingham, MA" prepared for Jay M. Cashman, dated October 25, 1988, prepared by Neponset Valley Survey Assoc. Inc., recorded with the Plymouth County Registry of Deeds at Plan Book 33, Page 223.

Parcels 165-18 and 165-19

Two (2) certain parcels of registered land with all buildings and improvements thereon, situated in Hingham, Plymouth County, Massachusetts shown as Lot "9" and Lot "10" on a plan entitled "Subdivision Plan of Land in Hingham" prepared by Neponset Valley Survey Assoc., Inc., dated April 18, 1995, on file with the Plymouth County Registry District of the Land Court as Plan 32564E filed with Certificate No. 44775.

Parcel 165-7

A certain parcel of unregistered land with all buildings and improvements thereon, situated in Hingham, Plymouth County, Massachusetts shown as "Lot B" (6.59 acres) on a plan entitled "Plan of Land Whiting Street Hingham, Massachusetts" prepared for Thomas A. Welch, dated April 4, 1986, prepared by Perkins Engineering Inc., recorded with Plymouth County Registry of Deeds as Plan Number 535 of 1986 in Plan Book 27, Page 177.

Together with

A certain parcel of unregistered land with all buildings and improvements thereon, situated in Hingham, Plymouth County, Massachusetts shown as "Lot A 1" (14,690 SF) on a plan entitled "Plan of Land Whiting Street Hingham, Massachusetts" prepared for Thomas A. Welch, dated April 4, 1986, prepared by Perkins Engineering Inc., recorded with Plymouth County Registry of Deeds as Plan Number 535 of 1986 in Plan Book 27, Page 177.

Parcels 165-16 and 165-17

Two (2) certain parcels of registered land with all buildings and improvements thereon, situated in Hingham, Plymouth County, Massachusetts shown as Lot "7" and Lot "8" on a plan entitled "Subdivision Plan of Land in Hingham" prepared by Perkins Engineering, Inc., dated September 25, 1979, on file with the Plymouth County Registry District of the Land Court as Plan 32564D.

EXHIBIT B

REQUIRED SERVICES

- One meal a day
- Emergency communication system in bedrooms and bathrooms with medical response 24 hours a day
- Security/Safety Officers on duty 24 hours
- Secured campus with gated entrance
- All utilities (except personal telephone)
- Basic cable television service
- Pre-wiring for telephone
- On-campus shuttle transportation & scheduled local shuttle transportation
- Maintenance and insurance of buildings, grounds and equipment
- Insurance of the Unit and all items in the unit, except items owned by Resident
- Sewage, trash and snow removal
- availability of on site physicians, dentists and podiatrists
- Use of all public rooms and common areas of the Community. such as restaurants and cafes, health club staffed by fitness trainers, chapel, auditorium, library, classrooms, compute lab, crafts studio, wood shop, beauty salon/barber shop, postal center, country store and branch bank
- Participation in activities provided by Residential Life Department such as craft classes, continuing education classes and social events (in limited cases with a nominal fee)

TRA 1790336v6

EXHIBIT C



President
Eleanor White

Vice Presidents
Jack Cooper
Vann Houston
Robert Kuehn, Jr.
Leanne Pinado

Treasurer
Matthew Hobbs

Clerk
Sharon Anderson

Executive Director
Baron Gornstein

March 5, 2003

Erickson Retirement Communities
2 Brooksby Drive
Peabody, Massachusetts
Attention: Scott Hayward

Re: Hingham Campus - Monitoring Agent/Regulatory Agreement

This letter constitutes a contractual agreement between Hingham Campus, LLC, or its assigns, (the "Developer") and the Citizens Housing and Planning Association ("CHAPA") for services to be rendered by CHAPA as "Monitoring Agent" pursuant to the regulatory agreement ("Regulatory Agreement") to be entered into in accordance with the Decision rendered by the Town of Hingham Board of Appeals dated as of September 11, 2001 with respect to the premises at 409-413 Whiting Street (the "Decision"). A copy of the Decision and the Regulatory Agreement are attached hereto as Exhibits A and B, respectively.

A. SERVICES

CHAPA agrees to provide the services required of the Monitoring Agent pursuant to the Regulatory Agreement, including, without limitation:

1. The certification as to whether 27.7% of the residents are income-qualified by reviewing income disclosure records of income upon occupancy.
2. In the event percentage or distribution of affordable units are not in compliance with the Regulatory Agreement during the construction period, the review of any proposed plan regarding how compliance will be achieved as the Project is built out and a determination of whether such plan is reasonable.
3. At the request of the Developer or the Municipality, the review of data to determine whether demand for a particular affordable unit size or sizes is greater than for others.
4. The determination of whether Developer has instituted a suitable program for the administration of the Entrance Fee Funding Plan;
5. The review of the Affirmative Marketing Plan; and

6. the Preparation of a compliance report when the final certificate of occupancy is issued;
7. Any other matters described in Section 8 of the Regulatory Agreement.

In connection with the provision of these services, CHAPA will make suitable representatives available from time to time for consultation with the Developer and the Municipality.

B. FEE STRUCTURE AND PAYMENT SCHEDULE

Fees for the rendering of services by CHAPA will be calculated and paid as follows:

1. On each anniversary of the date upon which the Regulatory Agreement is executed and delivered, CHAPA will receive an annual fee for services rendered in the prior 12 month period as follows:

| | |
|------------------------------|----------------------------|
| First and Second Anniversary | \$2,000 |
| Third and Fourth Anniversary | 3,000 |
| Fifth and Sixth Anniversary | 4,875 |
| Each Anniversary thereafter | 4,875 plus COLA Adjustment |

"COLA Adjustment" means an increase in the fee equal to the increase, if any, in the cost of living established by the Social Security Administration Cost of Living Adjustment for that date which is 30 days prior to the end of the applicable anniversary year. The base year for such adjustment shall be the Sixth anniversary year. Should this agreement terminate for any reason during a twelve month period, the amount of the annual fee will be adjusted equitably to take into account the number of services rendered and the degree of effort associated therewith prior to such termination.

2. An additional fee associated with the preparation of the compliance report will be mutually determined at the time of such preparation and the Developer and CHAPA agree that such fee shall be commensurate to the amount of the fees that CHAPA is then receiving for large project and that they will act reasonably in reaching an agreement as to the amount of such fee.
3. If and to the extent the Developer requests additional services, an additional fee in an amount commensurate to the amount of the fees that CHAPA generally charges for these or similar services. CHAPA and the Developer agree that they will act reasonably in reaching an agreement as to the amount of such fee.

C. CHAPA's OBLIGATIONS:

1. CHAPA shall not hire or employ any contractor, subcontractor or any other person or organization without the prior written approval of Developer.
2. The Contract constitutes the entire agreement between Developer and CHAPA with respect to CHAPA's obligations with respect to the Project.
3. CHAPA shall not report or disclose any information to any third parties regarding the Project, including, without limitation, any governmental agency, at any time, except pursuant to the Regulatory Agreement or with the consent of Developer or as may be required by law,

Your signature affixed below shall constitute a sealed contractual agreement between us under the terms specified above.

Sincerely,

**CITIZENS HOUSING AND PLANNING
ASSOCIATION**

By: *Ann Carter*

Accepted and agreed:

HINGHAM CAMPUS LLC

By: *Erickson Retirement Communities, LLC, Member*

By: *Daniel K. O'Brien*

DANIEL K. O'BRIEN, V.P.

TRA 1756794v2